

REPORT ON THE PRELIMINARY DRAFT OF A CONVENTION FOR THE EUROPEAN PATENT FOR THE COMMON MARKET

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1 The Working Party of the six EEC countries responsible, under its terms of reference as confirmed by the Permanent Representatives Committee, for preparing a draft Convention relating to the unitary European patent for the European Economic Community, met at Brussels from 7 to 10 October and from 9 to 11 December, 1969.

Apart from the experts of the six Member States, there were also present at these meetings representatives of the Commission and the Secretariat of the Council, which provided the Secretariat. On the proposal of its chairman, Dr. Haertel, President of the Deutsches Patentamt (Federal Republic of Germany), the Working Party agreed that a vice-chairman and a rapporteur should be appointed. M. Van Benthem, President of the Octrooiraad (Netherlands) was appointed vice-chairman, and M. Savignon, Director of the National Institute of Industrial Property (France), rapporteur.

2 The draft Convention being drawn up by the Intergovernmental Conference for setting up a European system for the grant of patents provides that after grant the European patent shall be subject, in each country, to the provisions applicable to national patents ; nevertheless, in Article 8, this draft provides for the possibility of the Contracting States which so desire signing a special mutual agreement making the European patent subject, after grant, to common rules.

The Member States of the EEC decided to study the possibility of concluding such an agreement between themselves, and the Working Party of the six EEC countries, in accordance with its terms of reference, undertook to draw up provisions which might form the substance of a Convention to be adopted exclusively by the Member States of the EEC, and which would regulate the effect of the European patent after grant in a unitary manner appropriate to the Community with respect to these States ; in the remainder of this report, the words "European patents" will be used in reference to the provisions of the first Convention, and the words "Community patents" in reference to the provisions of the second Convention, which will be referred to as "this Convention" or "the present Convention".

3 The Working Party worked on the basis of documents prepared by its president drawn from the provisions of the 1965 draft concerning the effects of the patent after grant. It succeeded in completing its work within the appointed time, thanks to the constructive and conciliatory chairmanship of Dr. Haertel, the co-operative spirit of all the delegations, and the hard work and

efficiency of the drafting committee and the Secretariat. However, a certain number of provisions remain pending or require further examination, either because they call for examination in depth by experts of the Ministries of Justice or Foreign Affairs, or because they could not be prepared in detail before the adoption of provisions under the first Convention, or because it appeared desirable to await consultation with interested parties.

4 This report does not attempt to summarise all the provisions on which the experts reached agreement, but only to point out the principal results and the questions on which there are slight differences of opinion between the experts. The report is not divided into twelve parts in the same way as the working documents. This division, taken from the 1965 draft, has the advantage of allowing the experts to continue on the lines of previous work, but is not necessary for the understanding of the Working Party's work, since many sub-divisions of the 1965 draft were relevant to the Convention on the European patent, but not to the Convention on the Community patent, which deals only with problems arising after grant of the European patent.

The report groups the problems under four headings:

Preamble and general provisions

Organisational provisions

Patent law

Economic clauses

PREAMBLE AND GENERAL PROVISIONS

Dovetailing this Convention with other treaties or agreements

5 The Working Party decided to include in the Preamble provisions indicating that this Convention is:

(a) a special agreement within the meaning of Article 8 of the Convention establishing a European System for the Grant of Patents (first Convention);

(b) a special arrangement within the meaning of Article 15 of the Paris Union Convention (Lisbon text).

The Preamble should also indicate that the Contracting States do not intend by this Convention to derogate from the provisions of the treaties setting up the European Communities.

6 The Working Party worded as follows the text of the fundamental article specifying the aims of this Convention:

Community Patent (Article 1)

“(1) This Convention hereby establishes a system of law concerning patents for invention, common to the Contracting States, applicable throughout

the territories of these States, and governing, in respect of these States, European patents granted in accordance with the Convention establishing a European System for the Grant of Patents.

(2) The European patents granted for the Contracting States shall be called "Community patents".

(3) Community patents shall have a unitary and autonomous character. The unitary aspect arises from the fact that they are to have effect throughout the territories of the Contracting States and may only be assigned or allowed to lapse in respect of the whole of these territories.

Their autonomous character is ensured by virtue of the fact that they are subject only to the provisions of this Convention."

7 Disputes between Contracting States (Article 95)

Except where they are dealt with by the Select Committee of the Administrative Council (see below, Organisational Provisions) disputes between Contracting States arising from this Convention may be referred to the Court of Justice of the Communities.

8 Territorial application of the Convention (Article 96)

The Working Party postponed for subsequent examination the problem of extending the Convention to the Continental shelf.

9 Accession (Article 100)

The Working Party acknowledged that it would be desirable for States acceding to the treaty setting up the European Economic Community to accede at the same time to the present Convention. However, because of the difficulty of wording this in a manner which would be binding on States likely to accede to the European Economic Community, the Working Party adopted the following wording, inspired by Article 63 of the Convention of 27 September 1968 on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters.

"The Contracting States hereby affirm their intention to ensure that any State becoming a Member State of the European Economic Community undertakes to accede to this Convention."

A proposal to transfer this clause, which cannot be entirely binding without becoming a supplementary condition of accession to the EEC treaty, to the Preamble was examined by the Working Party, which took no final decision on this matter.

"The adaptations necessitated by this Convention might be the subject of a special Convention between the Contracting States on the one hand and the acceding State on the other."

10 In drawing up the final clauses, the Working Party took as a basis the corresponding provisions of the Convention of 27 September 1968 on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters. The Ministries of Foreign Affairs of the Member States of the EEC might endeavour to reach a further degree of harmonisation with that Convention.

ORGANISATIONAL PROVISIONS

11 A Select Committee of the Administrative Council of the European Patent Office (Article 3) composed entirely of representatives of States acceding to the present Convention is to be responsible for the application of the Convention.

12 The President of the European Patent Office is to be responsible to that Committee (Article 25 (2)); he has authority over the special organs of the European Patent Office which are responsible for the functioning of this Convention (Article 25 (1)), which comprise (Article 45):

- (a) a Patent Administration Division (Article 46);
- (b) one or more Revocation Divisions (Article 47) responsible for deciding upon applications for revocation of Community patents;
- (c) the Revocation Boards (Article 48) which are to hear appeals from the decisions of the Revocation Divisions.

13 The Court of Justice of the European Communities, whose competence in the final instance is laid down in Article 4, may hear further appeals from the decisions of the Revocation Boards for infringement of the rules of procedure or the provisions of the present Convention (Article 67).

In proceedings for infringement of the Community patent it is also given jurisdiction to render an interlocutory decision in the matter of interpretation of this Convention and provisions enacted pursuant to it.

National courts before which such questions are raised may, before passing judgement, request the Court of Justice to render a decision, and are bound to do this if their decisions are not subject to appeal under national law (Article 77).

Finally, as has been indicated above, it may hear disputes between States when the Select Committee of the Administrative Council has been unable to settle them (Article 95).

It has been questioned whether the competence of the Court of Justice can be extended in this way by this Convention, and this should be further

examined by the Ministries of Foreign Affairs and lawyers versed in EEC law.

PATENT LAW

14 Here, even more than in other sections of this report, it does not seem necessary to refer to all the provisions proposed by the Working Party.

The questions dealt with will be divided into three groups :

The first group, relating to the term and renewal, surrender, lapse and revocation of the European patent, have been solved in a unitary manner within the framework of the Community.

The second, concerning the rights conferred by the patent, are also dealt with principally within the Community, but penalties are to be imposed by the national courts ; this applies particularly to infringement proceedings.

Finally, problems arising from the existence of national patents have necessitated solutions co-ordinating the effects of the protection given by these patents and by the Community patent.

First group of problems

15 Term, renewal, surrender and lapse of the Community patent

The Community patent will cease to be valid not later than 20 years from the date of filing the application for a European patent (Article 16) ; it is subject to the payment of annual renewal fees (Articles 52 to 54), a system which accords with that of the EEC States and that adopted with respect to European patent applications in the first Convention.

The Working Party postponed consideration of the question of whether the national law of these States might provide for aid by the national authorities to the proprietors of Community patents towards the payment of their renewal fees. The Commission has been invited to consider whether such aid would be compatible with Article 92 of the treaty setting up the EEC.

16 Revocation

After listing the grounds for revocation (Article 57), the draft provides (Article 58) that when a final decision revoking a patent is issued, the patent shall be deemed not to have had, as from the outset, the effect specified in Article 10 (revocation *ex tunc*). At the request of the Netherlands delegation, the Working Party decided to re-examine at a later date the possibility of restricting the effects of such revocation *ex tunc*.

The draft then deals with proceedings before a Revocation Division (Articles 59 to 65), the Revocation Boards (Article 66), and before the Court of Justice of the European Communities (Article 67).

Second group of problems

17 Assignment and mortgaging

A European patent may not be assigned (Article 18) or mortgaged (Article 19) save in its entirety. In order to be opposable to third parties, these operations must be recorded in the Register of European Patents.

Nevertheless, the rules applicable to mortgage, and apparently to assignment, are to be those of the State where the proprietor of the patent has his residence or place of business.

18 Effects of the Community patent : infringement proceedings

The grant of the Community patent (Article 10) prohibits all third parties from performing any act, the effect of which would be to permit the industrial or commercial exploitation of the patented invention, subject to the limitations specified in Article 10(3) and Article 11.

Nevertheless, actions for infringement of the right thus defined are to be brought before the Courts of the Contracting States (Articles 72 to 76) on the basis of the law instituted by the Convention and the complementary application of national law (Article 12).

19 A problem arises from the fact that a counter claim for revocation of the patent alleged to have been infringed is frequently brought by the defendant in an infringement case ; now, an action for infringement comes under the jurisdiction of the national courts, an action for revocation under that of Community authorities.

To resolve this difficulty, the Working Party laid down the following system (Article 75) :

“(1) A national court which is dealing with an action for infringement of a Community patent shall treat the patent as valid unless it has been revoked by a final decision.

(2) If an application has been made for revocation of a Community patent, the national court shall, at the request of the plaintiff, stay the proceedings for infringement of the Community patent until such time as a final decision has been given in the revocation proceedings.

(3) The national court shall also stay proceedings where the defendant requests this and where a declaration by the Revocation Division or Board leads to a presumption that the application for revocation will be granted. However, the national court shall continue the proceedings at the request of the plaintiff if he furnishes security for the benefit of the defendant for the costs of the proceedings and for any other damages arising from the rights derived from the Community patent.”

Certain delegations whose national laws do not provide for security to be furnished desired the question to be reviewed in consultation with experts from the Ministries of Justice.

Third group of problems

Existence of national patent systems concurrently with the Community patents.

20 The right of the Contracting States to adhere to their national law on patents concurrently with the Community patent is initially affirmed in Article 5.

21 Article 6 provides that the protection given by a Community patent and by one or more patents granted in the Contracting States may not be enjoyed simultaneously in respect of a single invention originating from one and the same inventor. Nevertheless, the Working Party agreed not to examine the problem of simultaneous protection during a transitional period until after interested parties have been consulted.

22 Article 9 deals with the case of a national patent or application for a national patent with a priority date earlier than that for the Community patent having been published before the date of filing the application for a Community patent.

23 Article 15 upholds, with respect to the Community patent, the right of personal possession which would have been enjoyed in respect of a national patent.

ECONOMIC CLAUSES

24 Specially detailed mention must be made of the so-called economic clauses, both because of their real importance for the Member States and for the European Economic Community and because of the difficulties they have caused in the past.

It will be recalled that the provisions in question deal with:

- (a) "The exhaustion of the rights of the patentee", i.e. the impossibility of invoking the rights conferred by the patent after the products which it covers have been lawfully put on the market ;
- (b) so-called compulsory licences or licences of right, of a non-contractual nature, obtained either by judicial or administrative decision, in the case of non-working or insufficient working of the patent on the national territory.

Exhaustion of the rights of the patentee

25 Final system

The Working Party has adopted a system providing for the exhaustion of the rights of the patentee after the products covered by the Community patent

have been lawfully put into use in one of the Contracting States:

(a) by the proprietor of the patent (Article 11 (1));

(b) by the licensee (Article 23 (2)).

The Working Party has also adopted a provision (Article 99 (3)) providing for exhaustion of the rights of the patentee, notwithstanding the provisions of the laws of the Contracting States, after the putting into use of the products which are covered by national patents granted in one or more Contracting States in respect of one and the same invention to the same person, or to persons with economic connections. Thus the final system organises in a manner which is almost complete, subject to lawful contractual limitations, the free circulation within the territory of the Community of goods covered by patents, whether national or Community.

26 *Transitional system* (Article 99 (1) and (2)).

The Working Party realised the necessity of a transitional period:

(a) on the one hand, indeed, it seems to several delegations that the Common Market has not yet reached a sufficient degree of realisation for the conditions prevailing there to be analogous to those of a national market;

(b) on the other hand, maintenance of national patent systems, which is in other respects considered indispensable by all the delegations, would make it possible for applicants for patents with an interest in the fragmentation of the market to perpetuate this fragmentation by choosing the protection of national patents. The advantages to be derived from the European patent and the Community patent, appreciable though they seem, are nevertheless not such as automatically to cause the abandonment of protection by national patents. It will therefore be found necessary to harmonise the effects of the Community patent and those of the national patents. But to attempt to impose modification of the effects of the national patents immediately upon the entry into force of the Convention might lead to delay in ratifying it.

27 With regard to the content of the provisions subject to the transitional period, the Working Party has adopted the most general solution, i.e. suspension of the effects described above for the final system with regard to Articles 11 (1) and 23 (2).

Thus, during the transitional period, the system at present applicable to products covered by national patents is extended to products covered by Community patents.

28 *Duration of the transitional period and methods of modifying it*

The Working Party has adopted a transitional period of five years ; the Council of the Communities may end this transitional period before that time by a unanimous decision ; it may also prolong it for a new period not exceeding five years, by a decision taken by qualified majority. The Working Party did not adopt a proposal to the effect that if the period of five years should be reduced by the Council, the end of the transitional period could not become effective until after a specified time ; it considered that in such a case the Council would not fail to lay down the necessary period for adaptation.

COMPULSORY LICENCES

29 *Compulsory licences (Article 68)*

The Working Party adopted a system submitting the Community patent to the same treatment as national patents, compulsory licences with respect to the Community patent remaining restricted to the territory of the State which has granted them.

There was discussion on the question whether the national authorities who have to pronounce on an application for a compulsory licence with respect to a Community patent should consider whether supplies to the national market are sufficiently ensured by production not only on national territory, but also in the territories of the other Member States of the Community. The Working Party did not adopt that idea in the present draft.

30 The Working Party reserved for possible study at a later date the suggestion that the Contracting States might sign a common declaration, at the same time as this Convention, which would express their intention to consider a Community system of compulsory licences which might enter into force at the end of the transitional period. The same declaration might deal with the point referred to at No. 29 above, i.e. whether national authorities responsible for granting compulsory licences should take into consideration production effected under the same patent in the territory of the other Contracting States.

31 The draft Convention, in its present form, gives a wide basis to the Community and unitary character of the patent, particularly with regard to its term and validity ; by creating a Community system dealing with revocation, it ensures the legal safety justly demanded in professional circles. With regard to the economic clauses, it did not feel able to formulate a unitary policy for compulsory licences, which must be dependent on a common policy of industrial development. On the other hand, it pronounced in favour of a very thorough exhaustion of the rights of the patentee, at the end of a transitional period which can be adapted to the development of the EEC.

PRELIMINARY DRAFT OF A CONVENTION FOR THE EUROPEAN PATENT FOR THE COMMON MARKET

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PREAMBLE

Note :

The Preamble should indicate that this Convention constitutes, between the Contracting States, a special agreement within the meaning of Article 8 of the Convention establishing a European System for the Grant of Patents, and also a special arrangement within the meaning of Article 15 of the Paris Convention of 20th March, 1883 for the Protection of Industrial Property, revised at Lisbon on 31st October, 1958.

The Preamble should also indicate that the Contracting States do not intend, through this Convention, to derogate from the provisions of the treaties setting up the European Communities.

PART I—GENERAL PROVISIONS

Article 1 (former Article 2). Community patent

(1) This Convention hereby establishes a system of law concerning patents for invention, common to the Contracting States, applicable throughout the territories of these States and governing, in respect of these States, the European patents granted in accordance with the Convention establishing a European System for Grant of Patents.

(2) European patents granted for the Contracting States shall be called “Community patents”.

Community patents shall have a unitary and autonomous character. The unitary aspect arises from the fact that they are to have effect throughout the territories of the Contracting States and may only be assigned or allowed to lapse in respect of the whole of these territories. Their autonomous character is ensured by virtue of the fact that they are subject only to the provisions of this Convention.

Article 2 (former Article 3). Special organs of the European Patent Office

Special organs, common to the Contracting States, shall be set up within the European Patent Office in accordance with the provisions of Article 31 of the Convention establishing a European System for the Grant of Patents, with responsibility for implementing the procedures specified in the present Convention.

Article 3 (former Article 3a). Select Committee of the Administrative Council

A Select Committee shall be set up within the Administrative Council of the European Patent Office, in accordance with Article 31 of the Convention establishing a European System for the Grant of Patents, on which only representatives of the Contracting States may sit and which shall carry out the tasks assigned to it by the present Convention.

Article 4. Jurisdiction of the Court of Justice of the European Communities

The Court of Justice of the European Communities shall be competent to deal, in the final instance, with actions relating to Community patents, to the extent to which jurisdiction is conferred on it by this Convention. The protocol on the Status of the Court of Justice of the European Communities of 17th April, 1957 shall apply *mutatis mutandis*.

Article 5 (former Article 6). Co-existence with national patent laws

This Convention shall be without prejudice to the right of Contracting States to maintain their national laws concerning patents concurrently with the law on Community patents.

Article 6 (former Article 7). Prohibition of simultaneous protection

The protection given to an invention by a Community patent and by one or more patents granted in the Contracting States may not be enjoyed simultaneously in so far as the invention originates from one and the same inventor.

PART II

CHAPTER I—RIGHT TO THE PATENT

Article 7 (former Article 16). Grant of a patent to an unauthorised person

(1) If a European patent has been granted to a person not entitled to apply within the meaning of Article 15, paragraph 1, of the Convention establishing a European System for the Grant of Patents, the person entitled to it may have his right to the Community patent recognised or may have the patent assigned to him.

(2) The right referred to in paragraph 1 shall lapse if it has not been exercised in an action of law within a period of two years from the date of publication of the grant of the European patent. This provision shall not apply if the proprietor of the patent acted otherwise than in good faith at the time of grant or subsequent acquisition of the patent.

(3) If an action brought on the basis of the provisions of Article 16 of the Convention establishing a European System for the Grant of Patent is withdrawn or dismissed by a final decision, the right referred to in paragraph 1 shall lapse.

(4) Licences and other rights granted to third parties shall lapse on the assignment of the Community patent to the person entitled to it. If, by virtue of such a right, a third party has already used the invention in good faith for professional purposes in the territory of the Contracting States, or made the necessary preparations to do so, he may require the person entitled to the patent to grant him a licence in return for reasonable compensation.

CHAPTER II—EFFECTS OF THE PATENT

Article 8 (former Article 18). Territorial scope of a Community patent

Community patents shall have effect throughout the territories to which this Convention applies by virtue of Article 96.

Article 9 (former Article 19). Prior national rights

(1) If a national patent or application for a national patent made public on or after the priority date of a Community patent has, in a Contracting State, a priority date earlier than that of the Community patent, the effects of the Community patent shall not extend to the territory of the State in question, in so far as it might, if it were a national patent, be revoked for that reason in the said State.

(2) If, in the course of proceedings for infringement of a Community patent, the defendant proves that the effects of the Community patent depend, under paragraph 1, on the grant of a national patent, the Court dealing with the matter shall suspend judgment, on request, in so far as the Community patent covers the same subject matter as the application for a national patent and the infringement has occurred in the territory of the Contracting State concerned.

Article 10 (former Article 20). Effects of the Community patent

(1) By the grant of a Community patent, all third parties shall be prohibited :

- (a) if the subject matter of the invention is a product, from making, offering for sale, putting on the market, using, or importing or stocking the product for these purposes ;
- (b) if the subject matter of the invention is a process ;
 - (i) from offering for sale, putting on the market or using the process ;
 - (ii) from offering for sale, putting on the market or using, or importing or stocking for these purposes the product obtained directly by this process, in so far as such product is not a plant or animal excluded from protection under Article 10 of the Convention establishing a European System for the Grant of Patents.

(2) By the grant of a Community patent, all third parties shall also be prohibited from supplying or offering to supply a person other than the party entitled to exploit the invention, with means relating to an essential element of the invention for putting the patented invention into effect :

- (a) when these means are suitable solely for putting the invention into effect or ;
- (b) when the other person knows or ought to have known that these means are suitable and intended for putting the invention into effect.

Persons performing acts for other than industrial or commercial purposes shall not be deemed to be persons entitled to exploit the invention for the purposes of this paragraph.

(3) The effects of a Community patent shall extend only to acts done for industrial or commercial purposes. In particular, acts done privately and for private ends and acts done for experimental purposes with a bearing on the subject matter of the patented invention shall not be deemed to be done for industrial or commercial purposes.

Article 11 (former Article 20a). Limitation of rights attached to a Community patent

(1) The rights attached to a Community patent shall not extend to acts concerning the product covered by the said patent which are done on the territory of Contracting States after the proprietor of the patent has put that product on the market in one of these States.

(2) The rights attached to a Community patent shall not extend to the preparation of medicines in chemists shops, on medical prescription and for individual cases, or to acts concerning the medicines thus prepared.

(3) The rights attached to a Community patent shall not extend :

- (a) to the use on board vessels of the countries of the Union of Paris for the Protection of Industrial Property, other than the Contracting States, of the patented invention, in the body of the vessel, in the machinery, tackle, gear and other accessories, when such vessels temporarily or accidentally enter the waters of Contracting States, provided that the invention is used there exclusively for the needs of the vessel ;
- (b) to the use of the patented invention in the construction or operation of aircraft or land vehicles of countries of the Union of Paris for the Protection of Industrial Property, other than the Contracting States, or of accessories to such aircraft or land vehicles, when these temporarily or accidentally enter the territory of Contracting States ;
- (c) to the acts specified by Article 27 of the Convention on International Civil Aviation of 7 December 1944, where these acts concern the aircraft of a State, other than the Contracting States, benefiting from the provisions of that article.

Article 12 (former Article 20b). Complementary application of national law regarding infringement

(1) Any infringement of the right conferred by the Community patent shall be subject to the provisions of the national law of the Contracting States, in so far as this Convention does not include provisions on this matter. The provisions of national law concerning complicity or the requirement of fraudulent intent shall apply in particular.

(2) The law applicable in the case of an action for infringement of a Community patent brought before a Court in one of the Contracting States, shall be the national law of that State, in so far as the principles of private international law in that State do not refer, where appropriate, to the national law of other Contracting States.

(3) The rules of procedure applicable are laid down in Article 73.

Independently of the provisions of Articles 10 and 12, other actions may be brought by the proprietor of a Community patent on the basis of the provisions of national law relating in particular to civil offences and unfair competition.

Article 14 (former Article 20d). Rights conferred by a European patent application after publication

With regard to acts done on the territory of the Contracting States, a European patent application in respect of which the Contracting States have been designated shall confer on the applicant, from the time of publication, the right to demand reasonable compensation, fixed according to the circumstances, from any person who has exploited the subject matter of the application in the Contracting States. The provisions of Articles 9 to 13 shall apply.

Article 15 (former Article 22). Right of personal possession and right based on prior use

Any person who, if a national patent had been granted in respect of an invention would have had, in one of the Contracting States, a right based on prior use of that invention or a right of personal possession of that invention, shall enjoy, in that State, the same rights in respect of a Community patent for the same invention.

CHAPTER III—TERM—PATENTS OF ADDITION

Article 16 (former Article 23). Term of Community patent

A Community patent shall cease to be valid on a date not later than 20 years from the date of filing the application.

Article 17 (former Article 24). Patents of addition to a Community patent

(1) A European patent of addition shall be, in the territory of the Contracting States, a unitary patent of addition to which the provisions of Article 1 are applicable.

(2) A patent of addition to a Community patent shall expire at the same time as the parent patent. Nevertheless, if the parent patent expires as a result of cancellation or surrender, the patent of addition shall become an independent patent which shall cease to benefit from the provisions of Article 21, paragraph 5, of the Convention establishing a European System for the Grant of Patents.

This patent shall expire on a date not later than 20 years from the date of filing the application for the parent patent. If there are a number of patents of addition, only the first granted patent of addition shall become independent ; the remainder shall be deemed to be patents of addition thereto.

CHAPTER IV—THE PATENT AS AN OBJECT OF PROPERTY

Article 18 (former Article 25). Assignment of a Community patent

(1) A Community patent may not be assigned except in its entirety and for the whole of the territories in which it is effective. This provision does not exclude assignment in co-ownership for the whole of these territories.

(2) The assignment of a Community patent shall be made in writing and shall require the signature of the parties to the contract.

(3) The assignment shall be recorded in the Register of Community Patents at the request of the interested party or of one of the interested parties on production either of the original or of a certified copy of the assignment deed, or of official documents verifying the assignment, or of such extracts from such deed or documents as suffice to establish the assignment. The request shall not be considered as made until such time as the fee prescribed for this purpose by the Rules relating to fees adopted pursuant to this Convention has been paid.

(4) The European Patent Office shall retain one copy of the documents referred to in paragraph 3 and shall allow access to these documents on request, after the fee prescribed in Article . . . of the Convention establishing a European System for the Grant of Patents has been paid.

(5) The assignment shall have no effect vis-à-vis the European Patent Office and third parties until such time as it is entered in the Register of Community Patents, and then only within the limits indicated by the documents referred to in paragraph 3. Nevertheless, an assignment, although not so entered, shall be opposable to third parties who have subsequently acquired rights in the Community patent and who acted otherwise than in good faith at the time of filing the application for entry of these rights in the Register of Community Patents.

Article 19 (former Article 26). Mortgaging of a Community patent

(1) A Community patent may not be mortgaged save in its entirety and for the whole of the territories in which it is effective.

(2) A Community patent shall be mortgaged in accordance with the law applying to the mortgaging of national patents in the Contracting State in

which the proprietor of the Community patent is ordinarily resident or has his registered place of business. If the proprietor has neither residence nor registered place of business in the territory of one of the Contracting States, the law applicable shall be that of the Contracting State in which the agent appointed under Article . . . has his business address, or in which an address for service has been chosen under the same Article. If, by virtue of the preceding provisions, the right of mortgaging can be construed according to the law of several Contracting States, the parties shall stipulate which of these laws is to apply.

(3) As long as the mortgage of a Community patent remains in the Register of Community patents, other mortgages may not be created save in accordance with the law of the Contracting State which applies to the registered mortgage. Mortgages created prior to the registration of a particular mortgage, but not already registered, shall be deemed to have been created in accordance with the law applicable to the registered mortgage.

(4) The provisions of paragraphs 2 to 4 of Article 18 shall apply.

(5) The mortgaging of a Community patent shall not have effect until after it has been recorded in the Register of Community Patents.

(6) The mortgaging of a Community patent shall be governed by the law of the Contracting State in accordance with which the mortgage has been created or is deemed to have been created, except as otherwise provided in this Article. The Courts having jurisdiction in respect of the mortgage shall be the Courts or other competent authorities of the said Contracting State.

Article 20 (former Article 27). Other rights in rem with respect to a Community patent

The provisions of Article 18 and Article 19, paragraphs 2, 3 and 6 shall apply to rights in rem established by contract, other than mortgage rights, in respect of Community patents and, in so far as these provisions can be applied, to rights in rem established by law in respect of Community patents.

Article 21 (former Article 28). Distraint of a Community patent

(1) A Community patent may not be subject to distraint or to other measures of execution, save in its entirety and for the whole of the territories in which it is effective.

(2) Proceedings in distraint in respect of a Community patent shall be originated by the competent authorities and according to the law of the Contracting State in whose territory the proprietor is ordinarily resident or has his registered place of business. If the proprietor has neither residence

nor registered place of business in the territory of one of the Contracting States, the relevant law and competent authorities shall be those of the Contracting State in which the agent appointed under Article . . . has his business address, or an address for service has been chosen under the same Article. If no agent has been appointed and no such address chosen, the relevant law and the competent authorities shall be those of the country in which the European Patent Office is situated.

(3) If, by virtue of the provisions of paragraph 2, the authorities of several Contracting States are competent, the exclusive jurisdiction shall be that of the authorities of the Contracting State on whose territory the first distraint was effected. Distraints effected in other Contracting States must be renewed on request by the authorities with exclusive jurisdiction and shall be deemed to be effected on the date of the initial distraint. The competent authorities of Contracting States shall transmit a copy of the documents relating to the distraint to the European Patent Office.

(4) The distraint of a Community patent shall have no effect vis-à-vis the European Patent Office and third parties until such time as it is entered in the Register of European Patents. Nevertheless, a distraint, although not so entered, shall have effect vis-à-vis third parties who have subsequently acquired rights in the Community patent and who acted otherwise than in good faith at the time of filing the application for these rights to be registered.

(5) The distraint shall be registered free of charge upon notification of the competent national authority.

(6) After the distraint has been registered, the transfer of the Community patent concerned or the grant of other rights pertaining to that Community patent shall not be entered in the Register of European Patents unless the request for the entry is accompanied by a declaration on the part of the creditor in whose favour the distraint has been registered, indicating that he consents to such entry.

(7) The preceding paragraphs shall apply in respect of distraints on the ground of contested proprietorship or in respect of other protective measures taken within the limits of civil proceedings relating to a Community patent.

(8) Paragraphs 1, 2, 3, 5 and 6 shall apply when bankruptcy proceedings have been filed in respect of the estate of the proprietor of a Community patent. However, for the purposes of this provision, the concept of the place of business referred to in paragraph 2 of this article shall be deemed to be the main business office of a debtor holding a Community patent. The provisions of this paragraph shall apply to all other legal proceedings

for the collective satisfaction of creditors to the estate of a debtor holding a Community patent.

Article 22 (former Article 28a). The patent application as an object of property

Note :

Examination of this Article has been postponed until the question of the legal system governing property to be specified in the Convention establishing a European System for the Grant of Patents in respect to European patent applications has been fully cleared up.

Article 23 (former Article 29). Contractual licensing of a Community patent

(1) A Community patent may be licensed for the whole or part of the territories in which it is effective.

(2) Paragraph 1 of Article 11 shall apply with regard to a product lawfully put on the market by the licensee.

(3) The provisions of Article 18, paragraphs 3 to 5, shall apply mutatis mutandis to the grant or assignment of a licence in respect of a Community patent.

Article 24 (former Article 30). Complementary application of national law to legal transactions

(1) Failing provisions in this Convention directly applicable to legal transactions concerning Community patents, the relevant law shall be the national law to which this Convention refers. Failing such reference, the relevant law shall be the law designated by the parties to the contract or, in the case of a unilateral transaction, by the originator of the transaction. If such designation has not been made or cannot be made validly under the law to be applied by the Court dealing with the matter, the national law applicable shall be determined in accordance with the principles of private international law in the State of the Court dealing with the matter.

(2) If private international law refers to the "lex rei sitae", the relevant law shall be the law of the Contracting State in whose territory the proprietor of the Community patent is ordinarily resident or has his registered place of business. If the proprietor has neither residence nor registered place of business in the territory of one of the Contracting States, the relevant law shall be the law of the Contracting State in which the agent appointed under Article ... has his business address, or an address for service has been chosen under the same Article. If no agent has been appointed and no such address chosen, the relevant law shall be the law of the country in which the European Patent Office is situated.

PART III—SPECIAL INSTITUTIONS

CHAPTER I—SPECIAL ORGANS OF THE EUROPEAN PATENT OFFICE

Article 25 (former Article 31a). Integration of the special organs in the European Patent Office.

(1) The special organs set up in accordance with the provisions of Article 2, for the purpose of implementing this Convention, shall be placed under the authority of the President of the European Patent Office.

(2) As regards the exercise of activities relating to the implementation of this Convention, the European Patent Office shall be governed by the Select Committee of the Administrative Council. The President of the European Patent Office shall be responsible for these activities to the Select Committee of the Administrative Council.

Article 26 (former Article 37). Appointment of members of the Revocation Boards.

(1) The members of the Revocation Boards shall be appointed by decision of the Select Committee of the Administrative Council, taken on the recommendation of the President of the European Patent Office.

(2) The members of the Revocation Boards shall be appointed for a term of five years and may not be removed from office during this term.

(3) The President of the European Patent Office may propose to the Select Committee of the Administrative Council that disciplinary measures be taken against the officials referred to in paragraph 1, where these are not at the same time members of the Boards of Appeal.

CHAPTER II—FINANCIAL PROVISIONS

Articles 27 to 38 (former Articles 42 to 53).

Note :

Examination of the provisions of this chapter has been postponed until the corresponding provisions in the Convention establishing a European System for the Grant of Patents have been decided.

CHAPTER III—THE SELECT COMMITTEE OF THE ADMINISTRATIVE COUNCIL

Articles 39 to 44 (former Articles 53a ff).

Note :

Examination of the provisions of this chapter has been postponed until the composition and functions of the Administrative Council have been specified in the Convention establishing a European System for the Grant of Patents.

CHAPTER IV—ORGANISATION OF THE SPECIAL ORGANS

Article 45 (former Article 54). *The special organs.*

The special organs of the European Patent Office in the meaning of Article 2 shall be as follows:

- (a) a Patent Administration Division ;
- (b) one or more Revocation Divisions ;
- (c) one or more Revocation Boards.

Article 46 (former Article 57). *Patent Administration Division.*

(1) The Patent Administration Division shall be responsible for all acts of the European Patent Office relating to Community patents, in so far as these acts are not the responsibility of other departments or services of the Office.

(2) The Patent Administration Division shall be staffed by legally qualified members.

(3) The decisions of the Patent Administration Division shall be taken on behalf of the Division by one of its members.

(4) The members of the Patent Administration Division may not be members of the Boards of Appeal, the Enlarged Board of Appeal nor of the Revocation Boards.

Article 47 (former Article 57a). *Revocation Divisions.*

(1) The Revocation Divisions shall be responsible for decisions on applications for the revocation of Community patents.

(2) In order to give a valid decision, a Revocation Division shall consist of one legally qualified member who shall act as chairman, and two technically qualified members.

Note :

The question of the circumstances in which the members of the Revocation Divisions may not participate in the settlement of a case will have to be

covered by a general provision applicable also to other organs of the Patent Office. This provision will be formulated when the corresponding provisions of the First Convention have been enacted.

Article 48 (former Article 59). Revocation Boards.

(1) The Revocation Boards shall be responsible for decisions on appeal from the decisions of the Revocation Divisions.

(2) In order to give a valid decision, a Revocation Board shall consist of two legally qualified members, one of whom shall act as chairman, and three technically qualified members.

(3) The members of the Revocation Boards may not be members of the Examining Sections, the Examining Divisions, the Patent Administration Division or the Revocation Divisions.

(4) In their decisions the members of the Revocation Boards shall not be bound by any instructions. They shall comply only with the provisions of this Convention and with those adopted in implementation thereof.

CHAPTER V—Register and publications

Article 49 (former Article 60). Register of Community Patents

The European Patent Office shall keep a Register of Community Patents which shall contain those particulars the registration of which is provided for by this Convention.

Article 50 (former Article 61). Community Patent Bulletin

The European Patent Office shall periodically publish a Community Patent Bulletin containing all the particulars the publication of which is prescribed by this Convention.

PART IV—EUROPEAN PATENT APPLICATIONS

Article 51 (former Article 68a). Joint designation

Designation of the Contracting States to this Convention in accordance with the provisions of Article 67 of the Convention establishing a European system for the Grant of Patents shall be effected and withdrawn jointly. Designation of one of these States shall be deemed to be designation of all the Contracting States to this Convention.

PART V—RENEWAL OF COMMUNITY PATENTS

Article 52 (former Article 119). Renewal fees.

The renewal fees to be paid to the European Patent Office in respect of Community patents shall be those prescribed by the Rules relating to fees adopted pursuant to this Convention. Patents of addition shall not be subject to the payment of renewal fees.

Article 53 (former Article 120). Date of payment of renewal fees

(1) Renewal fees shall be due on the last day of the month containing the anniversary of the date of filing of the European patent application. The first fee shall not be due until the grant becomes final.

(2) When a renewal fee has not been paid before the due date indicated in paragraph 1, the fee may be validly paid within six months of the said date, provided that the additional fee prescribed by the Rules relating to fees is paid at the same time.

(3) The lapse of a Community patent for failure to pay a renewal fee within the due period shall be deemed to have occurred at the end of the year preceding that in respect of which the fee fell due.

Article 54 (former Article 121). Proof of payment

The competent departments of the European Patent Office shall alone have authority to decide whether the fees provided for in Article 52 and Article 53, paragraph 2, have been paid in due time, and decide on appeals against such decisions.

PART VI—SURRENDER, LAPSE AND REVOCATION OF COMMUNITY PATENTS

CHAPTER I—SURRENDER AND LAPSE

Article 55 (former Article 124). Surrender of Community patents

(1) A Community patent may only be surrendered for the whole of the territories in which it has effect.

Surrender may be limited to one or several claims of the patent.

(2) The surrender of a Community patent must be declared in writing to the European Patent Office by the proprietor entered in the Register of Community Patents. It shall not have effect until it is entered in the Register.

(3) If rights in rem under the Community patent have been entered in the Register of Community Patents, surrender will only be entered upon production of declarations in which third parties entered in the Register consent to the entry. If a licence is entered in the Register of Community Patents, surrender will only be entered if the proprietor of the patent proves that he has previously informed the licensee of his intention to surrender.

Article 56 (former Article 126). Lapse of Community patents

(1) Apart from the case specified in Article 16, a Community patent shall lapse:

- (a) if the proprietor of the patent surrenders it in accordance with Article 55 ;
- (b) if the renewal fees are not paid in due time.

(2) The lapse of a Community patent shall be entered in the Register of Community Patents and published in the Community Patent Bulletin.

CHAPTER II—REVOCATION

Section I: Grounds and effects

Article 57 (former Article 127). Grounds for revocation

(1) On request, a Community patent shall be revoked:

- (a) if the subject matter of the patent is not patentable within the terms of Articles 9 to 14 of the Convention establishing a European System for the Grant of Patents and having regard to Article 21, paragraph 5, of that Convention and Article 17, paragraph 2, of the present Convention ;

- (b) if the specification, claims and drawings do not satisfy the requirements of Article 71 of the Convention establishing a European System for the Grant of Patents ;
 - (c) if, in the case of a patent of addition, its subject matter does not constitute an improvement, development or supplementing within the meaning of Article 21, paragraph 1, of the Convention establishing a European System for the Grant of Patents and does not comply with the requirements of Article 13 of that Convention ;
 - (d) if the subject matter of the patent extends beyond the content of the European patent application as filed.
- (2) If the patent is only partially contrary to the provisions of paragraph 1, revocation will be pronounced in the form of a corresponding limitation of the said patent.

Article 58 (former Article 128). Effects of revocation

(1) When a final decision as regards total or partial revocation is issued, the Community patent shall be deemed, within the limits of the decision, not to have had, as from the outset, the effects specified in Article 10.

(2) When a decision becomes final, revocation of the Community patent shall be entered in the Register of Community Patents and published in the Community Patent Bulletin.

Section 2 : Procedure before a Revocation Division

Article 59 (former Article 129). Persons entitled to lodge an application for revocation

Any person having an interest in the matter shall be entitled to lodge an application for the revocation of a Community patent.

Article 60 (former Article 130). The application

(1) An application for revocation of a Community patent must be made in writing to the European Patent Office. It must cite the person entered on the Register of European Patents as proprietor of the patent, and must designate the patent in respect of which revocation is sought.

(2) The application must state the grounds on which it is based ; it must set out the facts and the evidence on which it relies.

(3) The application must be drawn up in the language specified in Article 34, paragraph 3, of the Convention establishing a European System for the Grant of Patents.

(4) The application shall not be deemed to be filed until after payment of the fee prescribed by the Rules relating to fees adopted pursuant to this Convention.

(5) If the applicant has his registered place of business or his ordinary residence outside the territory of the Contracting States, he shall, at the request of the respondent, furnish security for the costs of the proceedings. The Revocation Division shall fix at a reasonable figure the amount of the security and the period within which it must be deposited. If such security is not deposited within the period specified, the application will be deemed to be withdrawn.

(6) An application for revocation may be made even if the Community patent has lapsed.

Article 61 (former Article 131). Observations by the respondent

(1) The Revocation Division shall communicate the application to the respondent and shall invite him to submit his observations within a period to be determined by the Division.

(2) If the respondent submits observations in due time, the Revocation Division shall communicate them to the applicant.

Article 62 (former Article 132). Examination of the application

(1) If the application is admissible, the Revocation Division shall proceed to examine the facts; this examination shall not be restricted to the arguments or contentions of the parties concerned.

(2) The Revocation Division may disregard fresh facts or evidence not included in the statement of grounds of the application or in the observations submitted by the respondent in due time.

(3) The Revocation Division may obtain a supplementary report on the state of the art from the International Patent Institute at The Hague or the Examining Section.

Article 63 (former Article 133). Hearings before the Revocation Division

A hearing shall take place either at the request of any party to the proceedings or at the instance of a Revocation Division if it considers this to be expedient.

Article 64 (former Article 134). Decision in respect of the application

(1) If the application does not comply with the requirements of Articles 59 and 60 and with those of the Implementing Regulations, the Revocation Division shall reject it as inadmissible.

(2) If, following the examination laid down in Article 62, paragraph 1, the Revocation Division considers that it cannot grant the application, it shall reject it as being unfounded.

(3) If the Revocation Division considers the application to be entirely or partially founded, it shall revoke the Community patent wholly or in part.

(4) If the respondent has not submitted his observations in due time, the Revocation Division may issue a decision in accordance with the application and deem all facts put forward by the applicant to be established.

(5) The decision of the Revocation Division may be based only upon facts and evidence in respect of which the interested parties have had the opportunity to submit their observations.

Article 65 (former Article 134a). Costs of revocation proceedings

(1) In the decision on an application for revocation, the Revocation Division shall determine the apportionment of the costs between the parties. A decision on the apportionment of the costs may also be taken on request when the application for revocation is withdrawn or when the Community patent lapses.

(2) Pending.

(3) The decision [of the Registry] awarding costs may be reviewed, on request, by the Revocation Division. The request, stating the reasons on which it is based, must be submitted in writing to the European Patent Office within a period of one month after the decision is issued. It shall not be considered to be submitted until such time as the fee prescribed for this purpose by the Rules relating to fees adopted pursuant to this Convention has been paid. The Revocation Division shall take a decision on the request without oral proceedings.

Note :

(1) *Examination of paragraph 2 has been postponed pending a final version of the texts on general provisions for procedure in the Convention establishing a European System for the Grant of Patents.*

(2) *The question of the name to be given to the department responsible for determining costs has been held over until the corresponding provisions of the First Convention establishing a European System for the Grant of Patents have been adopted.*

Section 3 : Procedure of the Revocation Boards

Article 66 (former Article 134b). Appeal

(1) An appeal may be lodged against decisions of the Revocation Divisions.

(2) Articles 108 to 115 of the Convention establishing a European System for the Grant of Patents shall apply *mutatis mutandis* to this appeal procedure, with the exception of the provisions of Article 108, paragraph 1, and Article 115, paragraph 3, sentence 2, and paragraph 4, sentence 2.

(3) The provisions of Article 65 shall apply *mutatis mutandis* to the costs of appeal proceedings ; a decision awarding costs shall be taken by [the Registry] of the Revocation Divisions.

Section 4: Proceedings before the Court of Justice of the European Communities

Article 67 (former Article 135). Further appeal

(1) Decisions of the Revocation Boards on appeals as specified in Article 66 may be the subject of a further appeal to the Court of Justice of the European Communities. Such further appeal shall have suspensive effect.

(2) A further appeal may be lodged :

(a) for substantial infringement of formal and procedural rules ;

(b) for infringement of the provisions of this Convention and provisions enacted pursuant to it, in so far as these are not formal or procedural provisions or national provisions, when a decision of the Court of Justice of the European Communities is necessary to ensure uniform application of the law or when an important point of law is to be settled.

(3) A further appeal shall be open to the parties to the proceedings before a Revocation Board in so far as its decision did not grant their application. The other parties in those proceedings shall also be parties to the proceedings before the Court of Justice of the European Communities.

(4) The further appeal must be brought before the Court of Justice of the European Communities within a period of two months from the date of notification of the decision of the Revocation Board.

(5) The provisions of Article 16, paragraphs 2 and 6, shall apply *mutatis mutandis*.

(6) The fees to be paid in respect of the revocation proceedings before the Court of Justice of the European Communities shall be those laid down by the Rules relating to fees adopted pursuant to this Convention.

(7) The procedure for revocation proceedings before the Court of Justice of the European Communities shall be laid down in the Rules of Procedure of the Court of Justice.

PART VII—COMPULSORY LICENCES

Article 68 (former Article 136). Compulsory licences in respect of a Community patent

(1) Any provision in the laws of a Contracting State which enables the grant of compulsory licences or licences of right in respect of national patents shall be applicable to Community patents. The extent of such licences shall be restricted to the territory of the State concerned.

(2) The Contracting States shall, as regards the grant of compulsory licences or licences of right in respect of Community patents, provide at least for appeal to a tribunal having final jurisdiction. This obligation shall not extend to licences granted for defence purposes.

PART VIII—GENERAL PROVISIONS GOVERNING PROCEDURE

Articles 69 to 71 (former Articles 153 to 173).

Note :

Examination of this Article has been postponed until the corresponding provision of the Convention establishing a European System for the Grant of Patents has been adopted.

PART IX—PROCEDURE IN INFRINGEMENT AND OTHER CIVIL PROCEEDINGS

CHAPTER I—INFRINGEMENT PROCEEDINGS

Section 1 : Procedure before the national courts

Article 72 (former Article 174). Competence of the national courts

(1) Actions for infringement of a Community patent shall be heard before the Courts of the State which is competent by virtue of national law or international conventions.

(2) In the State referred to in paragraph 1, competence *ratione loci* and *ratione materiae* shall be determined in accordance with the rules applicable in the case of infringement of a national patent. The Contracting States shall be entitled to remit actions for infringement of Community patents in respect of their entire territory or parts thereof to a national court competent *ratione materiae*.

Note :

This Article will have to be re-examined in the light of the Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters, signed at Brussels on 27 September 1968.

Article 73 (former Article 175). Procedure in actions for infringement

To the extent that the present Convention does not provide otherwise, infringement actions in respect of a Community patent shall be subject to the rules of procedure applicable to infringement actions in respect of national patents by virtue of the national law of the State of the court dealing with the case.

Article 74 (former Article 176). Procedure before the patent is granted

If, before a European patent is granted, an action is brought on the basis of the rights conferred by a published European patent application, in respect of which the Contracting States are designated, and if, in the course of the proceedings, the patentability of the invention is questioned, a finding that the invention is patentable can only be made after the European patent has been granted.

Article 75 (former Article 177). Procedure after the patent has been granted

(1) A national court which is dealing with an action for infringement of a Community patent shall treat the patent as valid unless it has been revoked by a final decision.

(2) If an application has been made for revocation of a Community patent, the national court shall, at the request of the plaintiff, stay the proceedings for infringement of the Community patent until such time as a final decision has been given in the revocation proceedings.

(3) The national court shall also stay proceedings where the defendant requests this and where a declaration by the Revocation Division or Board dealing with the matter leads to a presumption that the application for revocation will be granted. However, the national court shall continue the proceedings at the request of the plaintiff, if he furnishes security for the benefit of the defendant for the costs of the proceedings and for any other damages arising from the rights derived from Community patent.

(4) Paragraphs 1 to 3 shall apply *mutatis mutandis* where an appeal has been made under Article 101 of the Convention establishing a European System for the Grant of Patents. In such case, the declaration of the Examining Division or Board of Appeal dealing with this appeal shall take the place of that referred to in paragraph 3.

(5) After the European patent has been granted, the provisions of this Article shall apply to actions brought on the basis of the rights conferred by a European patent application.

Article 76 (former Article 178). Penal sanctions

The national penal provisions in the matter of infringement shall be applicable in the case of infringement of a Community patent, to the extent that like acts of infringement would be punishable if they similarly affected a national patent.

Section 2 : Intervention by the Court of Justice of the European Communities

Article 77 (former Article 179). Interlocutory decision by the Court of Justice of the European Communities

(1) In proceedings for infringement of a Community patent, the Court of Justice of the European Communities shall have jurisdiction to render an interlocutory decision :

- (a) in the matter of interpretation of this Convention ;
- (b) in the matter of the validity and interpretation of provisions enacted in implementation of this Convention, to the extent to which they are not national provisions.

(2) When such a question is raised before a national court, that court may, if it considers the decision to be necessary to enable it to pass judgment, request the Court of Justice of the European Communities to render such a decision.

(3) When such a question is raised in a pending case before a national court whose decisions are not subject to appeal under national law, that court shall be bound to refer the question to the Court of Justice of the European Communities.

CHAPTER II—OTHER CIVIL PROCEEDINGS

Article 78 (former Article 183). Proceedings before the national courts

(1) Actions concerning Community patents, other than those referred to in Article 72, paragraph 1, shall come under the jurisdiction of those national courts of Contracting States which are competent *ratione loci* and *ratione materiae* in matters relating to national patents. Article 72, paragraph 2, and Articles 73 and 77 of this Convention and Article . . . (formerly Article 180 of the Convention establishing a European System for the Grant of Patents) shall apply *mutatis mutandis*.

(2) The validity of a Community patent may only be challenged, by way of exception, in proceedings instituted in respect of the actions referred to in paragraph 1, if the validity of a national patent may similarly be challenged in the same proceedings. In such cases, Articles 74 and 75 shall apply *mutatis mutandis*.

PART X—TRANSITIONAL PROVISIONS

CHAPTER I—GENERAL TRANSITIONAL PROVISIONS

Article 79 (former Article 185). Meeting of the Select Committee of the Administrative Council

Article 80 (former Article 187). First accounting period

Note :

Examination of Articles 79 and 80 has been postponed until the corresponding provision of the Convention establishing a European System for the Grant of Patents has been adopted.

CHAPTER II—SIMULTANEOUS PROTECTION GIVEN BY COMMUNITY AND NATIONAL PATENTS

Articles 81 to 92 (former Articles 194 to 205).

Note :

Examination of this Chapter has been postponed until interested parties have been consulted on the question of whether simultaneous protection should be permitted with respect to the Community patent.

PART XI—FINAL PROVISIONS

Article 93 (former Article 206). Application mutatis mutandis to national utility models

Note :

Examination of this Article has been postponed until it is determined whether a similar provision should be included in the Convention establishing a European System for the Grant of Patents. If this is done, it would be necessary to consider whether a corresponding provision should also be embodied in the present Convention.

Article 94 (former Article 207). Adaptation of national law

(1) A Community patent published on or after the priority date of an application for a national patent, but having an earlier priority date, shall be deemed in each of the Contracting States, in regard to such application or to the national patent granted in respect thereof, to be the equivalent of a national patent based on an earlier filing.

(2) A national patent shall be void in one of the Contracting States, in so far as its subject matter is an invention in respect of which a Community patent has been granted to the same inventor or to his assignee.

(3) If the law of a Contracting State provides for the grant of compulsory licences on earlier patents in favour of subsequent dependent patents, those provisions shall also apply in favour of Community patents.

Article 95 (former Article 208). Disputes between Contracting States

(1) Any dispute between two or more Contracting States which concerns an obligation of Contracting States arising from this Convention shall, at the request of one of the States concerned, be submitted to the Select Committee of the Administrative Council, which shall endeavour to bring about agreement between the said States.

(2) If agreement is not reached within 6 months from the day of the dispute being referred to the Select Committee of the Administrative Council, each of the Contracting States may appeal to the Court of Justice of the European Communities.

(3) If the Court of Justice of the European Communities finds that a Contracting State has failed to fulfil one of the obligations incumbent upon it by virtue of this Convention, that State shall take such steps as are necessary to carry out the judgment of the Court of Justice.

Article 96 (former Article 209). Territorial application of the Convention

(1) This Convention shall apply to the European territory of the Contracting States, to the French overseas departments and the French overseas territories.

(2) The Kingdom of the Netherlands may, at the time of signature or ratification of this Convention or at any subsequent time, declare by means of a notification to the Secretary General of the Council of the European Communities that this Convention shall apply to Surinam and the Netherlands Antilles.

Note :

(1) *This provision is based on Article 60 of the Convention on Jurisdiction and Enforcement (see note to Article 72).*

(2) *The question will have to be considered whether the territorial application of this Convention should extend to the Continental shelf of the Contracting States.*

Article 97 (former Article 210). Ratification

This Convention shall be ratified by the Signatory States. The instruments of ratification shall be deposited with the Secretary General of the Council of the European Communities.

Note :

This provision is taken from Article 61 of the Convention on Jurisdiction and Enforcement.

Article 98 (former Article 211). Entry into force

This Convention shall come into force on the first day of the second month following the deposit of the instrument of ratification of the signatory State which is the last to complete this formality ; however, the entry into force shall be dependent on that of the Convention establishing a European System for the Grant of Patents with respect to the Signatory States to the present Convention.

Note :

This provision is modelled on Article 62 of the Convention on Jurisdiction and Enforcement.

Article 99 (former Article 212). Subsequent entry into force of certain provisions

(1) During a transitional period and notwithstanding the provisions of Article 11, paragraph 1, and Article 23, paragraph 2, an objection may be raised by virtue of the rights derived under the Community patent to the

importation into the territory of any Contracting State of products covered by the patent and put on the market in the territory of another Contracting State, and to acts carried out with respect to any products thus imported against the wish of the proprietor of the patent.

(2) The transitional period specified in paragraph 1 shall be five years from the date of entry into force of this Convention. On the proposal of the Commission or of a Contracting State, this period may be:

(a) reduced by unanimous decision of the Council of the European Communities ;

(b) extended once or more than once, provided that the total length of the extension does not exceed five years, by a decision of the Council taken by qualified majority. This majority shall be that specified in paragraph 2, second sub-paragraph of Article 148 of the Treaty setting up the European Economic Community.

(3) At the end of the transitional period specified by this Article and notwithstanding the legislation of the Contracting States, the rights derived from patents granted for the same invention in two or more Contracting States and held by the same natural or legal person or by natural or legal persons with economic connections may not be raised in objection to acts in respect of the product covered by the said patents, carried out in the territory of one of the said Contracting States after the proprietor of the patent or his licensee has lawfully put the product on the market in one of those States. For the purposes of this paragraph, two persons shall be deemed to have economic connections where one of them is in a position to exercise a decisive influence on the other, directly or indirectly, with regard to the exploitation of a patent, or where a third party is in a position to exercise such an influence on both such persons.

Article 100 (former Article 213). Accession

(1) This Convention shall be open to accession by States becoming Member States of the European Economic Community.

(2) The instrument of accession to this Convention shall be deposited with the Secretary General of the Council of the European Communities. Accession shall take effect on the first day of the second month following the deposit of the instrument of accession, provided that the accession of the State concerned to the Convention establishing a European System for the Grant of Patents has become effective.

(3) The Contracting States hereby affirm their intention to ensure that any State becoming a Member State of the European Economic Community undertakes to accede to this Convention.

(4) A special Convention may be concluded between the Contracting States and the acceding State, to determine the methods of application of the present Convention necessitated by the accession of such State.

Note :

(1) *Article 63 of the Convention on Jurisdiction and Enforcement was taken into consideration in the wording of paragraphs 3 and 4.*

(2) *It remains to be discussed whether the provision of paragraph 3 should be included in this Article or in the Preamble to the Convention.*

Article 101 (former Article 214). Notifications

The Secretary General of the Council of the European Communities shall notify the Signatory States of :

- (a) the deposit of instruments of ratification and accession ;
- (b) the date of entry into force of this Convention ;
- (c) declarations received pursuant to Article 96 (2).

Note :

This provision is taken from Article 64 of the Convention on Jurisdiction and Enforcement.

Article 102 (former Article 215). Protocols

The protocols annexed to this Convention by common agreement of the Contracting States shall be an integral part thereof.

Note :

This Article, which is based on Article 65 of the Convention on Jurisdiction and Enforcement is included in case it should be required.

Article 103 (former Article 216). Duration of the Convention

This Convention shall remain in force for an indefinite time.

Article 104 (former Article 217). Revision

If a majority of the Contracting States requests that this Convention be revised, a revision conference shall be convened by the President of the Council of the European Communities.

Note :

This provision is based on Article 67 of the Convention on Jurisdiction and Enforcement.

The present Convention, drawn up in a single original in the Dutch, French, German and Italian languages, all four texts being equally authentic, shall be deposited in the archives of the Secretariat of the Council of the European Communities. The Secretary General shall forward a certified true copy thereof to each of the Governments of the Signatory States.

Note :

This provision is taken from Article 68 of the Convention on Jurisdiction and Enforcement.



BOARD OF TRADE

Patents in the Common Market

Unofficial translation of a
Preliminary Draft of a Convention
for the European Patent for the
Common Market, prepared by the
“Community Patent” Working Party



LONDON
HER MAJESTY'S STATIONERY OFFICE
1970

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This document is an unofficial English translation of the official text in French and German. The draft Convention was prepared by a Committee of the Six countries of the EEC. It will be remembered that in March of this year a "First Preliminary Draft of a Convention establishing a European System for the Grant of Patents" drawn up by experts from 17 European countries was published in French, German and English*. That Convention provided for examination by a European Patent Office of patent applications from all participating countries, leading to the grant of a European patent which would have the effect of a national patent in all those countries. The present Convention is to apply only between members of the European Economic Community. It provides that the patent granted by the European Office will run as a single patent throughout the Community and prescribes various rules governing its use there. The United Kingdom is participating fully in the discussions on the First Convention and, if we become a member of the Community, would expect to participate in this Second Convention also. The importance of it to UK industry is thus apparent.

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INTRODUCTION

1 In the Memorandum relating to the institution of a European system for granting patents, addressed to certain European countries on 17th March, 1969, the Member States of the EEC announced their intention of defining, in parallel with the Convention establishing a European System for the Grant of Patents, and by means of an Act to be concluded between the Member States of the EEC, a uniform legal system for the territory of the EEC, applicable to the European patent after grant.

2 An EEC Working Party has prepared a "Preliminary Draft of a Convention for the European Patent for the Common Market".

3 This preliminary draft, as now published, is not yet complete, since certain provisions depend on the provisions finally embodied in the Convention establishing a European System for the Grant of Patents, which is at present being drawn up.

4 The competent authorities of the EEC have decided to publish the preliminary draft, in its present form, simply as a draft prepared by the Working Party, with the purpose of obtaining the comments of organisations representing interested circles in the Member States, this being similar to the procedure adopted by the Intergovernmental Conference for setting up a European system for the grant of patents.

5 The present publication includes the preliminary draft prepared by the "Community Patent" Working Party of the EEC, with a report on the draft by M. Savignon, Director of the National Institute of Industrial Property (Paris), rapporteur general.